

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6174

BILL NUMBER: SB 79

DATE PREPARED: Feb 21, 2002

BILL AMENDED: Feb 21, 2002

SUBJECT: Septic System Disclosure in Residential Sale.

FISCAL ANALYST: Valerie Ruda

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FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill requires the Indiana Real Estate Commission to include on its sales disclosure form a provision concerning disclosure by an owner of residential real estate of the known condition of additions that may require improvements to the sewage disposal system.

Effective Date: July 1, 2002.

Explanation of State Expenditures: *Background:* State form 46234, the seller's residential real estate sales disclosure form, is required to be filled out and signed by the seller of residential real estate in the event of the sale, exchange of, installment sales contract for, or a lease with option to buy residential real estate that contains no more than four residential dwelling units.

The Indiana Professional Licensing Agency (PLA) would be required to modify state form 46234 in order to reflect the changes specified by the bill. Given that the form is available electronically for downloading from the Indiana Real Estate Commission's website, expenditures required to modify form 46234 should be absorbable within the Indiana PLA's budget.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Professional Licensing Agency, Indiana Real Estate Commission.

Local Agencies Affected:

Information Sources: Indiana Professional Licensing Agency.